
STATUTORY INSTRUMENTS

2011 No. 2288

SAVINGS BANKS

**The National Savings Bank
(Amendment) (No. 2) Regulations 2011**

Made - - - - 14th September 2011
Laid before Parliament 15th September 2011
Coming into force in accordance with regulation 1

The Treasury make the following Regulations in exercise of the powers conferred by sections 2, 3(2), 4, 6(1), 7(2), 8(1) and 8(3)(b) of the National Savings Bank Act 1971(1).

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the National Savings Bank (Amendment) (No. 2) Regulations 2011.

(2) Subject to paragraph (3), these Regulations come into force on 21st May 2012.

(3) This regulation, regulation 2 (so far as it relates to the other regulations mentioned in this paragraph) and regulations 7, 13 and 14(b) come into force on 28th November 2011.

(4) In these Regulations “the Principal Regulations” means the National Savings Bank Regulations 1972(2).

Amendments to the Principal Regulations

2. The Principal Regulations are amended as set out in regulations 3 to 31.

Amendment to regulation 2

3. In regulation 2 (Interpretation), in paragraph (1)—

(a) omit the definitions of—

(1) 1971, c.29; section 2 was amended by the Finance Act 1989 (c.26), section 184(1) and the Trustee Savings Banks Act 1985 (c.58), Schedule 4; section 3(2) was amended by the Finance Act 1982 (c.39), Schedule 20, paragraph 2; section 4 was amended by the Finance Act 1982, Schedule 20, paragraph 3 and the Finance Act 2000 (c.17), section 152(1); section 6(1) was amended by the Finance Act 1982, Schedule 20, paragraph 5; section 7(2) was amended by the Finance Act 1982, Schedule 20, paragraph 6; section 8 was amended by the Finance Act 1982, Schedule 20, paragraph 7 and the Finance Act 2003 (c.14), section 208.

(2) S.I. 1972/764; relevant amending instruments are S.I. 1974/553, 1984/9, 1988/2144, 1989/2045, 1992/2892, 1996/801, 1996/1724, 1999/588, 1999/1611, 2003/2895, 2006/1066, 2007/1265, 2007/1898 and 2008/1164.

- (i) “authorised signatories”;
- (ii) “proper officer”; and
- (iii) “treasurer’s account”;
- (b) for the definition of “authorised telephone procedure” substitute—
““authorised telephone procedure” has the meaning given by regulation 29R(1);”;
- (c) in the definition of “deposit”—
 - (i) for “with” substitute “in”;
 - (ii) omit “, and “depositor” shall be construed accordingly”;
- (d) after the definition of “deposit” insert—
““depositor” means a person in whose name deposits have been made in the National Savings Bank;”;
- (e) for the definition of “electronic transfer” substitute—
““electronic transfer” means transferring money by electronic or automated processes, which do not involve the delivery or collection of a payable instrument or the delivery of cash, to a bank or building society account to which payment is capable of being made by those processes;”;
- (f) for the definition of “principal office of the National Savings Bank” substitute—
““principal office of the National Savings Bank”, in relation to any description of account, means the office of the National Savings Bank which is designated as the principal office for that description of account by the Director of Savings;”;
- (g) in the definition of “savings bank business” for “with” substitute “in”.

Amendment to regulation 2A

- 4. In regulation 2A (Disapplication of particular regulations to certain accounts)—
 - (a) in paragraph (c) for “19” substitute “16”;
 - (b) for paragraph (e) substitute—
“(e) regulations 26A and 28;”;
 - (c) for paragraph (h) substitute—
“(h) regulation 42.”.

Amendment to regulation 2B

- 5. In regulation 2B (Closure of ordinary deposit accounts) for “16(2), 20, 22(1), 28(2)” substitute “20, 22”.

Revocation of regulations 2C and 2D

- 6. Omit regulations 2C (Closure of treasurers’ accounts) and 2D.

Insertion of regulation 2E

- 7. Before regulation 3 (Transaction of savings bank business) insert—

“Investment accounts not to be opened

2E.—(1) The Director of Savings may not accept any application to open an investment account received during the period commencing on 28th November 2011 and ending on 20th May 2012.

(2) Paragraph (1) does not apply to any application to open an investment account for which terms and conditions have been set pursuant to section 9A(1) of the National Savings Bank Act 1971 or an individual savings account.”.

Amendment to regulation 4

- 8.** In regulation 4 (Declaration by depositor)—
- (a) in paragraph (2) for “5(2)” on each occasion that it appears substitute “8A”; and
 - (b) in paragraph (4) for “9(2)” substitute “9(5)”.

Amendment to regulation 5

- 9.** In regulation 5 (Depositors generally)—
- (a) in paragraph (1)—
 - (i) for “seven” substitute “sixteen”;
 - (ii) omit “under paragraph (2) below”; and
 - (iii) omit “an account opened under regulation 9 below in the joint names of the trustee and the beneficiary,”; and
 - (b) omit paragraph (2).

Amendment to regulation 6

- 10.** In regulation 6 (Minors under seven years of age)—
- (a) in the heading and in paragraph (3) for “seven” substitute “sixteen”;
 - (b) in paragraph (1) for “seven years” substitute “sixteen years by that minor’s parent, guardian or grandparent”; and
 - (c) for paragraph (4) substitute—
 - “(4) In relation to an account opened in the name of a minor, for so long as the depositor is under the age of sixteen years, the Director of Savings shall only communicate with, accept instructions from, and pay deposits to a person appearing to the Director of Savings to be a person responsible for the welfare of that depositor.
 - (5) If the conditions specified in paragraph (6) are satisfied in relation to an account—
 - (a) paragraph (4) does not apply to the account; and
 - (b) paragraph (3) and regulations 5 and 25 have effect in relation to the account as if each reference to “sixteen years” were a reference to “seven years”.
 - (6) The conditions are that—
 - (a) an application to open the account was received by the Director of Savings in the approved form before 28th November 2011; and
 - (b) the depositor attained the age of seven years before 21st May 2012.”.

Amendment to regulation 8

- 11.** In regulation 8 (Joint accounts)—

- (a) in paragraph (4) omit “or under paragraph (1) of Regulation 32”;
- (b) in paragraph (5)—
 - (i) after “or the survivor of them,” insert “in the approved form,”; and
 - (ii) omit the words from “and may substitute” to the end; and
- (c) after paragraph (5) insert—

“(6) This regulation does not apply where the account is held in the joint names of trustees under regulation 8A or in the joint names of a trustee and a beneficiary under regulation 9.”.

Insertion of regulation 8A

12. After regulation 8 insert—

“Trust accounts

- 8A.**—(1) Deposits may be made in the name of one or more trustees.
- (2) All trustees in whose names an account is held, or such of them as are surviving at any time, may, acting jointly in the approved manner, request that the Director of Savings—
- (a) add the name of any person as a trustee in the title of the account; or
 - (b) remove the name of any person from the title of the account.
- (3) A declaration must be made in the approved form by—
- (a) all trustees in whose names an account is to be opened, and
 - (b) any trustee whose name is to be added in the title of an account.
- (4) Where an account is held in the names of two trustees, an application to withdraw or transfer deposits in that account must be made jointly, unless both trustees authorise the Director of Savings, in the approved manner, to act upon the application of just one of them.
- (5) Before giving effect to a multiple trustee application the Director of Savings may require that all trustees in whose names an account is to be held, acting jointly in the approved manner, nominate no more than two of their number to—
- (a) make any applications to withdraw or transfer deposits in the account; and
 - (b) receive—
 - (i) payment of deposits from the account; and
 - (ii) communications from the Director of Savings relating to the account.
- (6) All trustees in whose names an account is held, or such of them as are surviving at any time, may, acting jointly in the approved manner, request that the Director of Savings substitute any trustee for a trustee nominated under paragraph (5).
- (7) In this regulation, a “multiple trustee application” means an application—
- (a) to open an account in the name of more than two trustees; or
 - (b) to add the name of a person as a trustee in the title of an account where the account is already held in the names of two or more trustees.”.

Amendment to regulation 9

13. In regulation 9 (Trust accounts)—
- (a) for the heading substitute “Trust accounts held jointly by a trustee and a beneficiary”;
 - (b) after regulation 9(5) insert—

“(6) The Director of Savings may not accept any application to open a new account under paragraph (1) if it is received after 27 November 2011.”.

Amendment to regulation 16

14. In regulation 16 (Deposit book)—

- (a) for the heading substitute “Deposit books, transaction records and statements”;
- (b) in paragraph (1) after “an account is opened” insert “pursuant to an application received before 28 November 2011”;
- (c) omit paragraphs (2) and (3);
- (d) after paragraph (4) insert—

“(5) The Director of Savings shall not issue a deposit book after 20 May 2012, or make in a deposit book any entries relating to transactions occurring after that date.

(6) Following the occurrence of any transaction, other than a deposit made by electronic transfer, the Director of Savings shall promptly issue to the depositor concerned a statement in a durable medium confirming the details of the transaction and indicating the balance of the depositor’s account immediately following the transaction.

(7) The Director of Savings shall issue to every depositor—

- (a) an interim statement promptly on request; and
- (b) an annual statement promptly after 1st January each year.

(8) In this regulation—

“annual statement” means a statement in a durable medium which—

- (a) is for the calendar year ending on 31st December immediately preceding the issue of the statement; and
- (b) shows—
 - (i) the interest that has been added to the depositor’s account;
 - (ii) the transactions that have taken place in relation to the depositor’s account; and
 - (iii) the balance of the depositor’s account at the end of that calendar year;

“interim statement” means a statement in a durable medium which—

- (a) is for the period commencing on 1st January immediately preceding the issue of the statement and ending on the day before the day on which that statement is issued; and
- (b) shows—
 - (i) the transactions that have taken place in relation to the depositor’s account; and
 - (ii) the balance of the depositor’s account at the end of the period;

“transaction” means—

- (a) any deposit made in a depositor’s account in the National Savings Bank; or
- (b) any withdrawal or repayment from that account.”.

Revocation of regulations 17, 18 and 19

15. Omit regulations 17 (Transmission of deposit book to the Director of Savings), 18 (Loss of or damage to deposit book) and 19 (Entry of deposits in deposit book).

Amendment to regulation 21

16. In regulation 21 (Procedure on withdrawals)—

(a) in paragraph (1)—

- (i) after “made in writing” insert “to the principal office of the National Savings Bank”;
and
- (ii) for the words from “requesting that payment be made” to the end substitute “and shall be signed by the depositor or by a person authorised to make such an application in accordance with these Regulations.”;

(b) after paragraph (1) insert—

“(1ZA) An application for withdrawal may include a request—

- (a) that payment be made to the depositor or to a person authorised to receive payment in accordance with these Regulations—
 - (i) by electronic transfer to an account specified in the application; or
 - (ii) by crossed warrant; or
- (b) that any amount payable be used—
 - (i) to make a deposit in another account in the name of the depositor in the National Savings Bank; or
 - (ii) to purchase, in the name of the depositor, securities issued under the auspices of the Director of Savings to raise money under section 12 of the National Loans Act 1968.”;

(c) in paragraph (1A)—

(i) for sub-paragraph (a) substitute—

“(a) refuse to permit a withdrawal to the extent that the withdrawal relates to deposits not yet received in cleared funds; or”;

(ii) in sub-paragraph (c) for “issue a crossed warrant” substitute “make a payment”;

(iii) at the end of sub-paragraph (c) insert—

“; or

(d) refuse a request under paragraph (1ZA)(b).”;

(d) for paragraph (2) substitute—

“(2) An application for withdrawal shall be accompanied by the deposit book relating to the deposits (if one was issued).”;

(e) omit paragraphs (3A), (4A) and (6) to (8);

(f) for paragraph 4 substitute—

“(4) An application for withdrawal is to be treated as authorising the Director of Savings to give effect to any request included in that application in accordance with paragraph (1ZA).”;

(g) in paragraph (4B) for the words from the beginning to “paragraph (4A) above” substitute “Where payment by electronic transfer is initiated pursuant to an application for withdrawal”; and

(h) in paragraph (4C)—

- (i) for “In the case of an application for withdrawal by crossed warrant or electronic transfer, the” substitute “The”; and

(ii) omit “or (4A)”.

Amendment to regulation 25

17. In regulation 25 (Withdrawals by minors over seven years of age) for “seven”, on each occasion that it appears, substitute “sixteen”.

Insertion of regulation 26A

18. After regulation 26 (Withdrawals in case of bankrupts) insert—

“Authority for payment to third party

26A. In relation to deposits other than deposits in an individual savings account, the depositor may, subject to the approval of the Director of Savings, authorise any person to make an application for withdrawal of, or to receive payment of, the deposits concerned.”.

Amendment to regulation 27

19. In regulation 27 (Authority for payment to third party)—

- (a) at the end of the heading insert “from an individual savings account”;
- (b) omit paragraph (3); and
- (c) for paragraph (5) substitute—

“(5) This regulation only applies to payments made pursuant to an application for withdrawal under regulation 29P.”.

Substitution of regulation 28

20. For regulation 28 (Conditions on which investment deposits may be made) substitute—

“Making investment deposits

28.—(1) Investment deposits may be made—

- (a) by cheque, postal order or banker’s draft sent to the principal office of the National Savings Bank; or
- (b) by electronic transfer in the approved form.

(2) The first deposit in an account may only be made by electronic transfer if the Director of Savings approves making the deposit by that process.

(3) The minimum amount that may be deposited in an account in the National Savings Bank at any one time is—

- (a) for deposits made by cheque, postal order or banker’s draft, £20; and
- (b) for deposits made by electronic transfer, £1.”.

Revocation of regulations 28A to 29K

21. Omit regulations 28A (Withdrawal or transfer of investment deposits) to 29K (Authorised telephone procedure in respect of treasurer’s accounts).

Amendment to regulation 29M

22. In regulation 29M (Disapplication of particular regulations to individual savings accounts), in paragraph (1)—

- (a) in sub-paragraph (a) for “to 19, 28 and 29” substitute “and 28”; and

(b) in sub-paragraph (b) omit “, 32”.

Amendment to regulation 29R

23. In regulation 29R (Authorised telephone procedure in respect of individual savings accounts) for paragraph (4) substitute—

“(4) Every duly nominated person shall communicate to the Director of Savings, in the approved manner—

- (a) a password, being any combination of letters, or letters and numbers, of such length and character as the Director of Savings may approve as suitable for use as a password for the purposes of this regulation; and
- (b) such additional information of a personal nature relating to the nominated person as may be agreed between that person and the Director of Savings to be used for the purpose of verifying that person’s identity.

(5) The Director of Savings shall arrange for the password and information provided in accordance with paragraph (4) to be recorded in such manner as the Director of Savings may think reasonably secure having regard to the purposes for which they are to be used under these Regulations.

(6) Any password or additional information communicated in accordance with paragraph (4) or this paragraph, may be changed by the relevant duly nominated person in the approved manner (subject to the approval or agreement as is mentioned in paragraph (4)), and particulars of the change shall be recorded in accordance with paragraph (5).

(7) Telephone instructions shall be given by calling an approved number and, on connection, the instructions shall be elicited in the approved manner.

(8) The Director of Savings shall make arrangements reasonably calculated (having regard to anticipated demand) to enable telephone instructions to be given on such days and between such hours as the Director of Savings may approve, but shall not be liable for any loss or damage arising from the failure of any person to be (or remain) connected for any reason.

(9) Where the Director of Savings is satisfied that a person seeking to give telephone instructions in relation to an individual savings account is the duly nominated person for that account, the Director of Savings shall act upon those instructions.

(10) The Director of Savings may make arrangements for an audio recording to be made of any telephone call in which telephone instructions are likely to be given.”.

Amendment to regulation 30

24. In regulation 30 (Transfer of deposits), in paragraph (1) after “relating to the deposits” insert “(if one was issued)”.

Amendment to regulation 31

25. In regulation 31 (Transfer to and from overseas banks), in paragraph (1) after “by the deposit book” insert “for the account (if one was issued)”.

Amendment to regulation 32

26. Omit regulation 32 (Addition of names to an account).

Amendment to regulation 42

27. In regulation 42 (Interest on investment deposits)—
- (a) in paragraph (2)—
 - (i) omit sub-paragraph (a); and
 - (ii) in sub-paragraph (b) omit “other investment”;
 - (b) in paragraph (2A) for “bank giro credit in accordance with regulation 29F(1) or 29N(b) above” substitute “electronic transfer”;
 - (c) in paragraph (2B)(a) for “given in accordance with regulation 28(6) above” substitute “given by telephone before 28th November 2011”; and
 - (d) in paragraph (3) for “regulations 21, 29H(3), 29I(3) or 29P(4) above” substitute “these Regulations”.

Amendment to regulation 47

28. In regulation 47 (Rectification of mistakes) for “Where” substitute “In the case of an investment account for which terms and conditions have been set pursuant to section 9A(1) of the National Savings Bank Act 1971 or an individual savings account, where”.

Insertion of regulation 47A

29. After regulation 47 insert—

“Repaying deposits without an application for withdrawal

47A.—(1) In the case of an investment account other than an account to which regulation 47 applies, the Director of Savings may decide to repay deposits to the depositor without having received an application for withdrawal where the Director of Savings thinks fit, including—

- (a) where the Director of Savings is satisfied that the deposits were not made in accordance with these Regulations or the National Savings Bank (Investment Deposits) (Limits) Order 1977(3);
- (b) where there are reasonable grounds to suspect that the depositor—
 - (i) has provided false information; or
 - (ii) has made a deposit in connection with an illegal purpose;
- (c) where any declarations required under these Regulations in relation to the account in which the deposits were made have not been received within a reasonable period;
- (d) where the balance of the account in which the deposits were made is less than the minimum balance set by article 5 of the National Savings Bank (Investment Deposits) (Limits) Order 1977.

(2) Where the Director of Saving decides to repay a deposit, that deposit and any interest payable may be repaid by such means as the Director of Savings may direct, which may include crediting the amounts payable to an account of a different description in the name of the depositor in the National Savings Bank.”.

(3) S.I. 1977/1210; relevant amending instruments are S.I. 1981/108, 1987/329, 1988/1030, 1996/1854, 1998/1446, 1999/1056, 1999/2060, 2000/1421, 2003/2895, 2008/734 and 2008/1164.

Amendment to regulation 48

30. In regulation 48 (Notice of trust not receivable by Director of Savings), in paragraph (2) omit “(whether or not a trust is specified) pursuant to Regulation 5(2) above”.

Amendment to regulation 49

31. In regulation 49 (Powers of attorney), in paragraph (1) omit “pursuant to Regulation 5(2) above”.

Amendments to the National Savings Bank (Investment Deposits) (Limits) Order 1977

32. The National Savings Bank (Investment Deposits) (Limits) Order 1977 is amended as set out in regulations 33 to 37.

Revocation of articles 2A and 3A

33. Omit articles 2A and 3A.

Substitution of article 3

34. For article 3 substitute—

“**3.**—(1) The maximum amount that may be credited to any person by way of investment deposits in the National Savings Bank, whether in one or in more than one account, is £1,000,000.

(2) No account at the National Savings Bank may contain investment deposits in excess of £2,000,000.

(3) For the purposes of paragraph (1), where investment deposits are made in the National Savings Bank in joint names, each person in whose name those deposits are held is to be treated as credited with an equal share of those deposits.

(4) Where investment deposits are made in the National Savings Bank in the name of one or more trustees, those deposits are to be ignored for the purposes of determining the amount credited to any person under paragraph (1).

(5) The maximum amount that may be credited to any person as a trustee by way of investment deposits in the National Savings Bank, whether solely or jointly with any other person and whether in one or in more than one account, is £1,000,000 in respect of each separate trust.

(6) For the purposes of paragraph (5), trusts are to be treated as separate to the extent that they differ as respects—

- (a) the identity of the trustees;
- (b) the powers of the trustees;
- (c) the identity of the beneficiaries; or
- (d) the respective interests of the beneficiaries.

(7) This article does not apply to individual savings accounts.”

Amendment to article 3ZA

35. In article 3ZA for “Article 3 shall not apply” substitute “Neither Article 3 nor Article 5 applies”.

Amendment to article 4

36. In article 4—

(a) in paragraph (1)—

(i) for “3A, 3B or 3C” substitute “or 3B”; and

(ii) at the end of sub-paragraph (f) insert—

“,

(g) the crediting of any amount transferred from an investment deposit account in which it is prohibited to make deposits—

(i) as a result of regulations made pursuant to sections 2 and 8(3)(d) of the National Savings Bank Act 1971; or

(ii) as a result of terms and conditions set pursuant to section 9A(1) of that Act having equivalent effect.”;

(b) omit paragraph (2); and

(c) in paragraph (3) after “on behalf of that person for an account” insert “opened under regulation 9 of the National Savings Bank Regulations 1972”.

Insertion of article 5

37. After article 4 insert—

“5. The minimum balance of investment deposits required for an account in the National Savings Bank (other than an individual savings account) is £1.”.

Applications for withdrawal received before 21 May 2012

38. Regulations 21 (Procedure on withdrawals) and 27 (Authority for payment to third party) of the Principal Regulations are to continue to apply to any application for withdrawal of investment deposits received by the Director of Savings before 21 May 2012, and to any payment made pursuant to such an application, as if these Regulations had not been made.

Applications to add names received before 21 May 2012

39. Regulation 32 (Addition of names to an account) of the Principal Regulations is to continue to apply to any application to add a name in the title to an account received by the Director of Savings before 21 May 2012, and to any person whose name is added to an account pursuant to such an application, as if these Regulations had not been made.

14th September 2011

Michael Fabricant
Angela Watkinson
Two of the Lords Commissioners of Her
Majesty’s Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the [National Savings Bank Regulations 1972 \(S.I. 1972/764\)](#) (“the Principal Regulations”) and the [National Savings Bank \(Investment Deposits\) \(Limits\) Order 1977 \(S.I. 1977/1210\)](#) (“the Order”).

The amendment in regulation 7 provides that the Director of Savings may not accept applications to open investment accounts received after 27 November 2011 and before 21 May 2012. However, this does not apply to—

- (a) accounts for which terms and conditions have been set by the Treasury under section 9A(1) of the National Savings Bank Act 1971 (c.29) (accounts governed by terms and conditions as well as regulations) (“section 9A accounts”);
- (b) individual savings accounts (which pay interest free of UK income tax).

The amendments in regulations 9(a)(i), 10 and 17 alter the treatment of depositors who are minors. The age at which a minor may make a deposit in the National Savings Bank, or request a withdrawal, is increased from seven to sixteen years. While a depositor is under the age of sixteen years, the Director of Savings may only communicate with, and act on the instructions of, a person who appears to be responsible for the depositor’s welfare. But minors who were entitled to make deposits and request withdrawals prior to the coming into force of these Regulations, by virtue of having attained the age of seven years, may continue to operate their existing accounts themselves.

Regulations 9(b), 11(c), 12 and 13 amend provisions concerning trust accounts. In particular the amendments permit trust accounts to be opened in the names of more than two trustees and where there are more than two beneficiaries, and accounts may no longer be opened in the joint names of a trustee and a beneficiary.

Regulations 14 and 15 replace provisions in the Principal Regulations requiring the Director of Savings to issue and update deposit books with provisions requiring the Director of Savings to issue transaction records, annual statements and interim statements.

Regulation 16 consolidates the provisions of the Principal Regulations relating to the procedure for withdrawals and removes the right of depositors to request payment in cash.

The amendment in regulation 18 allows a depositor, with the approval of the Director of Savings, to grant authority to a third party to request or receive repayments from an investment account other than an individual savings account (section 9A accounts are also outside this provision by virtue of regulation 2A of the Principal Regulations).

Regulation 20 amends a provision about the manner in which deposits may be made and introduces a minimum amount that may be deposited at any one time.

Regulation 21 revokes provisions relating to treasurer’s accounts, which could be opened until 10 May 2007 by friendly societies and certain other organisations, all such accounts having been closed. Regulations 23 and 33 make amendments consequential on those made by regulation 21.

Regulation 26 revokes a provision which permitted depositors to request that names be added in the title of accounts. Names can still be added in the title of trust accounts in accordance with regulation 8A(2)(a) of the Principal Regulations.

Regulations 28 and 29 amend the powers of the Director of Savings to repay deposits. For accounts other than section 9A accounts or individual savings accounts, the power of the Director of Savings

to return deposits made or received in error is replaced with a power to repay deposits where the Director of Savings thinks fit.

Regulation 34 amends provisions in the Order concerning the way in which deposits in joint accounts count towards a depositor's maximum investment limit. Rather than such deposits counting in full against each depositor's maximum investment limit, only an equal share is to be treated as counting towards the depositor's limit. Regulation 34 also introduces a limit of £2,000,000 on the amount that may be deposited in a single account.

Regulation 36 amends the Order to provide that where a transfer is made from an account in the National Savings Bank into which it is no longer possible to make deposits to another account at the National Savings Bank, that transfer will not be treated as giving rise to a breach of the maximum investment limit.

The amendment in regulation 37 provides that there is to be a minimum balance of £1 for accounts in the National Savings Bank other than individual savings accounts (section 9A accounts are also outside this provision by virtue of article 3ZA of the Order).

Regulations 38 and 39 provide that applications for withdrawal, applications to authorise payment to a third party and applications to add a name to an account, which were received but not determined by the Director of Savings before 21st May 2012, are to continue to be dealt with in accordance with the relevant provisions of the Principal Regulations as if these Regulations had not been made.

A full impact assessment has not been produced for this instrument as no impact on the costs of business and the voluntary sector is foreseen.

The Explanatory Memorandum is available alongside this instrument on www.legislation.gov.uk.